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5E58 Headquarters

OLC 79-0204/9

27 February 1979

MEMORANDUM FOR: See Distribution

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Chief, Legislation Division/OLC

SUBJECT

: FY 1980 Intelligence Authorization Bill

1. After considerable further discussion OGC and OLC now believe it would be better for us to accept OMB's recommendation to include language relating to anticipated salary and benefit increases. A revised draft letter is attached for coordination.

- -- It is anomalous to argue that we do not need this specific supplementary authorization language when we have chosen not to make the case that Sections 5 and 8(a) of the CIA Act make the entire annual authorization process superfluous.
- -- The provision is in itself innocuous, and there is no need to point out that "authorized by law" in our case means 8(a) and the CIARDS Act. Thus, there need be no controversy over this point. Specific authorization of an appropriation for increased salaries does not derogate from the DCI's Section 8(a) personnel authorities.
- -- The argument that salary increases for personnel of the other departments and agencies listed in Section 101(a) of the Bill will be authorized in the authorization Acts of those entities' parent organizations tends to undercut the rationale for a consolidated NFIP budget.

<sup>2.</sup> The reasons for our change of view on this issue are that:

## Approved For Release 2002/05/09 : CIA-RDP92-00455R000200070017-9

| 3. Please provide telephone concurrence or comments as soon as possible. I would be happy to convene another meeting on this subject if necessary. | STATINTL |
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OLC 79-0204/c

Mr. James M. Frey
Assistant Director for
Legislative Reference
Office of Management and Budget
Washington, D.C. 20503

Dear Mr. Frey:

Representatives of the Office of Management and Budget have made several suggestions regarding additional language for the "Intelligence and Intelligence-Related Activities Authorization Act for Fiscal Year 1980." These suggestions involve provisions to cover anticipated salary, pay, retirement or other benefit increases, replenishment of the Agency Reserve, and the authorization of appropriations for FY 1981.

It has been suggested that a new subsection (d) be added to Section 101 of the draft bill to provide that:

"Appropriations authorized by this Act for salary, pay, retirement and other benefits for Federal employees may be increased by such additional or supplemental amounts as may be necessary for increases authorized by law."

We understand that OMB is recommending inclusion of this provision in all authorization bills which cover salary and benefit payments, and we have no objection to adding it to the Intelligence Authorization Act.

It has also been suggested that there be specific statutory language on replenishment of the Agency Reserve. It is our view that this question is inappropriate for discussion in the Authorization Act itself, and is better left for treatment in the classified schedule of authorizations. There does not appear to be a compelling reason for singling out this particular authorization item in the Act; the other specific authorization figures for intelligence activities are dealt with in a classified fashion.

## Approved For Release 2002/05/09 : CIA-RDP92-00455R000200070017-9

In conjunction with OMB Bulletin 79-5, OMB representatives have suggested inclusion of language in the Intelligence Authorization Act which would authorize "such sums as may be necessary" for FY 1981. We agree that such language seems advisable from the standpoint of compliance with Section 607 of P.L. 93-344, so long as it does not impede our ability to include additional titles in the FY 1981 Authorization Act next year, and does not require us to come forward with FY 81 figures now. We propose, therefore, to use the following language:

"There are authorized to be appropriated for FY 1981 such sums as may be necessary for intelligence and intelligence-related activities."

Barring objection from your Office, we intend to proceed along the lines outlined above in preparing the final version of the "Intelligence and Intelligence-Related Authorization Act for Fiscal Year 1980" for submission to the Congress as soon as possible.

Sincerely,

Frederick P. Hitz

cc: Ronald K. Peterson
(Chief, Resources-DefenseInternational Branch,
Legislative Reference, OMB)